

the profitability of canola and rapeseed products in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCONNELL:

S. 1092. A bill to impose sanctions against Burma, and countries assisting Burma, unless Burma observes basic human rights and permits political freedoms; to the Committee on Foreign Relations.

By Mr. REID (for himself and Mr. BRYAN):

S. 1093. A bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such Act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes; to the Committee on the Judiciary.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MCCAIN (for himself, Mr. LEVIN, Mr. COHEN, Mr. WELLSTONE, Mr. FEINGOLD, Mr. LAUTENBERG, Mr. KYL, Mr. McCONNELL, Mr. GRAMS, Mr. ABRAHAM, Mr. WARNER, Mr. HARKIN, Mr. BINGAMAN, and Mr. BAUCUS):

S. Res. 158. A resolution to provide for Senate gift reform; considered and agreed to.

By Mr. PELL:

S. Con. Res. 22. A concurrent resolution expressing the sense of the Congress that the United States should participate in Expo '98 in Lisbon, Portugal; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. PRYOR, Mr. ROTH, Mr. BAUCUS, Mr. PRESSLER, Mr. BREAUX, Mr. BOND, Mr. SIMPSON, Mr. GRASSLEY, Mr. HATCH, Mr. D'AMATO, Mr. MURKOWSKI, Mr. NICKLES, Mr. HELMS, Mr. WARNER, Mr. GREGG, Mr. BENNETT, Mr. LUGAR, Ms. SNOWE, Mr. ABRAHAM, Mr. BURNS, Mr. LOTT, Mr. ASHCROFT, Mr. COATS, Mr. INHOFE, Mrs. HUTCHISON, Mr. STEVENS, Mrs. KASSEBAUM, Mr. KERREY, Mr. COHEN, Mr. CAMPBELL, and Mr. COVERDELL):

S. 1086. A bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes; to the Committee on Finance.

#### THE AMERICAN FAMILY-OWNED BUSINESS ACT

Mr. DOLE. Mr. President, I rise today to introduce the American Family-Owned Business Act—a bill that will preserve the American family and save jobs across the country.

I am proud that this bill was developed on a bipartisan basis, led on the Democratic side by my colleague from Arkansas, Senator PRYOR. We are joined by Senators ROTH, BAUCUS, PRESSLER, BREAUX, SIMPSON, BOND, D'AMATO, GRASSLEY, NICKLES, HELMS, WARNER, GREGG, BENNETT, LUGAR, SNOWE, ABRAHAM, BURNS, LOTT, ASHCROFT, COATS, INHOFE, HUTCHISON,

STEVENS, MURKOWSKI, KASSEBAUM, KERREY, COHEN, and HATCH.

The current Federal estate tax is just too burdensome on the American family. Time and time again, farmers and other business owners across the country have told me that estate tax rates are just too high. They rise quickly from 18 to 55 percent, effectively making the Government a 50-50 partner in a family business.

Even the most sophisticated estate tax planning and the purchase of life insurance cannot sufficiently mitigate the effects of these high rates, leaving families no recourse but to sell their businesses to pay the estate tax. This bill will stop these forced sales from happening again.

I agree with many who say that estate tax rates should be reduced across the board, or repealed entirely. And I hope that we do that some day. But today we take an important first step with the American Family-Owned Business Act.

This bill cuts estate tax rates in half and also creates a new exclusion that completely eliminates the estate tax for small businesses.

Under the new exclusion, family-owned businesses can exempt up to \$1.5 million of family business assets from their estate. If a family business is valued at more than \$1.5 million, the excess is taxed at one-half of the current rates—thus providing a maximum tax rate of 27.5 percent.

My colleagues and I introduce this bill to protect and preserve family enterprises. We know too well the adverse impact of an estate tax-forced sale. The family loses its livelihood, the family business employees lose their jobs, and the community suffers.

We must do all that we can to help family-owned businesses not only survive, but also prosper. They are the job creators in this country. In the 1980's alone, family businesses accounted for an increase of more than 20 million private-sector jobs.

By relieving families from the burden of the estate tax and letting them keep their business, they can continue to prosper. And when families continue to operate their businesses, we all benefit—the business employees keep their jobs, the Government receives income taxes on business profits, and the families retain their livelihood.

The estate tax is not a Democratic or a Republican problem, or one that affects only rural or urban families. There are farmers, ranchers, or other family businesses in each State that would benefit from this legislation. That is why this bill is supported by dozens of groups, each listed at the conclusion of this statement.

Many of my colleagues have introduced bills to provide estate tax relief in various situations. These bills include important ideas, many of which are reflected in the American Family-Owned Business Act. As we begin the process of providing estate tax relief, we hope to work closely with the spon-

sors of these other bills, and to work toward common goals. We encourage those Senators who have sponsored their own bills to sign on to this one and work toward a single package of estate tax relief.

As we intend, the American Family-Owned Business Act provides relief for family businesses across the country—from the tree farmer in the Northeast or the rancher in the Southwest, to the farmer in the Midwest or the corner grocery store owner in the South.

The bill requires heirs to participate in the family business. These participation rules are deliberately flexible and recognize that different family businesses need differing levels of participation by heirs. For example, the bill recognizes that owners of tree farms may participate at a level lower than that of owners of other businesses, since tree farming often does not require continuous attention as do other farming activities.

This bill provides the critical relief needed for American families' businesses. We urge all our colleagues to support this effort.

Mr. President, I ask unanimous consent that the text of the bill and other material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "The American Family-Owned Business Act".

#### SEC. 2. FAMILY-OWNED BUSINESS EXCLUSION.

(a) IN GENERAL.—Part III of subchapter A of chapter 11 of the Internal Revenue Code of 1986 (relating to gross estate) is amended by inserting after section 2033 the following new section:

#### "SEC. 2033A. FAMILY-OWNED BUSINESS EXCLUSION.

"(a) IN GENERAL.—In the case of an estate of a decedent to which this section applies, the value of the gross estate shall not include the lesser of—

"(1) the adjusted value of the qualified family-owned business interests of the decedent otherwise includible in the estate, or

"(2) the sum of—

"(A) \$1,500,000, plus

"(B) 50 percent of the excess (if any) of the adjusted value of such interests over \$1,500,000.

"(b) ESTATES TO WHICH SECTION APPLIES.—This section shall apply to an estate if—

"(1) the decedent was (at the date of the decedent's death) a citizen or resident of the United States,

"(2) the excess of—

"(A) the sum of—

"(i) the adjusted value of the qualified family-owned business interests which—

"(I) are included in determining the value of the gross estate (without regard to this section), and

"(II) are acquired by a qualified heir from, or passed to a qualified heir from, the decedent (within the meaning of section 2032A(e)(9)), plus

"(ii) the amount of the adjusted taxable gifts of such interests from the decedent to members of the decedent's family taken into account under subsection 2001(b)(1)(B), to the extent such interests are continuously held by such members between the date of the